



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

June 16, 1997

Mr. Don Mandel
State of California
Department of Toxic Substances Control
10151 Croydon Way
Sacramento, CA 95827

Re: State Superfund Contract Amendment #2

Dear Mr. Mandel:

Enclosed please find eleven signed copies of Ammendment #2 to the State Superfund Contract for the High Density Sludge Treatment Plant at Iron Mountain Mine. The comments you provided to us have been incorporated into the document. The enclosures refered to in the Amendment #2 were submitted to you earlier.

If you have any questions, please call me at (415) 744-2234.

Sincerely,

A handwritten signature in cursive script, reading "Cynthia Wetmore", is positioned above the typed name.

Cynthia Wetmore
Remedial Project Manager



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 9

**75 Hawthorne Street
San Francisco, CA 94105-3901**

MEMORANDUM

SUBJECT: IMM State Superfund Contract Amendment

FROM: Cynthia Wetmore, RPM

TO: Keith Takata, Director, Superfund Division

THRU: John Kemmerer, Acting Chief, Site Clean-up Branch *h/for JK*
Kathi Moore, Chief, Northern California Section

Attached for your signature is the second amendment to the State Superfund Contract for the HDS treatment plant at Iron Mountain Mine. The State of California requires eleven signed copies.

The original IMM State Superfund Contract was for \$500,000 which was signed prior to going out to bid. The first amendment raised it to \$745,635 after the bids came in higher than the engineering estimate. This amendment raises the amount to \$842,249 which covers the extra construction and construction management costs due to change orders and unforeseen conditions during construction.

The State has given me a verbal OK that the extra money is available. They have also reviewed the language of the amendment and agree. The State has also been billed for \$706,957.80 which are the costs for the project up to December 1996.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

AMENDMENT #2
STATE SUPERFUND CONTRACT
HIGH DENSITY SLUDGE TREATMENT PLANT
AT THE
IRON MOUNTAIN MINE
BETWEEN
THE STATE OF CALIFORNIA AND
THE ENVIRONMENTAL PROTECTION AGENCY

This State Superfund Contract Amendment #2 amends the State Superfund Agreement signed by Environmental Protection Agency on May 23, 1995, by California Department of Toxic Substances Control on May 25, 1995 and approved by California Department of General Services on June 12, 1995; and the State Superfund Contract Amendment #1 signed by Environmental Protection Agency on December 18, 1995, by California Department of Toxic Substances Control on February 20, 1996 and approved by California Department of General Services on March 5, 1996. Appendix A has been replaced with Revised Appendix A #2, which is attached and made a part here of.

Section 16(a) in the State Superfund Contract is replaced with the following paragraph:

"The estimated cost of the IMM HDS treatment remedial action (excluding EPA's indirect and intramural costs) is \$8,422,489. This cost estimate is based on the current negotiated bid between EIMCO and CH₂MHill and includes contingencies for change orders and construction management services. Based on the foregoing, the cost share presently is estimated to be \$842,249."

In addition, section 16(b) which previously in part provided, "The State assures payment of its cost share obligation for actual remediation action costs for the HDS remedial action at the Site pursuant to the Boulder Creek OU and the Old/No. 8 Mine Seep OU, which shall be settled at reconciliation pursuant to Paragraph 32 below, which shall not exceed \$743,635"; shall be deleted and be replaced by the following:

"The State assures payment of its cost share obligation for actual remediation action costs for the HDS remedial action at the Site pursuant to the Boulder Creek OU and the Old/No. 8 Mine Seep OU, which shall be settled at reconciliation pursuant to Paragraph 32 below, which shall not exceed \$842,249".

The first sentence of Section 4 in the State Superfund Contract shall be replaced with the following sentence:

"This Contract shall become effective upon execution by EPA and the State, and approval by the California Department of General Services, and shall remain in effect until the parties determine that the activities described in the SOW are complete or that the final reconciliation of remedial action costs for the IMM HDS treatment plant remedial action has been satisfied, whichever is longer, but not longer than June 30 1998; notwithstanding the foregoing, the CERCLA operation and maintenance assurance shall remain in effect for the expected life of such actions."

All other terms and provisions shall remain unchanged.

In witness whereof, the parties hereto have executed this contract amendment.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Keith Takata

Keith Takata, Deputy Director
Hazardous Waste Management Division
US. Environmental Protection Agency, Region IX

6-13-97

Date

STATE OF CALIFORNIA

Paul D. Blais, Deputy Director
Site Mitigation Program
Department of Toxic Substances Control
California Environmental Protection Agency

Date

Marvin H. Philo, Chief
Office of Business Service
Department of Toxic Substances Control
California Environmental Protection Agency

Date

Department of General Services Use Only

REVISED APPENDIX A #2
STATEMENT OF WORK
IRON MOUNTAIN MINE
HDS TREATMENT PLANT

DESCRIPTION: Construction and construction management for the interim remedial action to construct the High Density Sludge (HDS) component of the treatment plant at the Iron Mountain Mine (IMM) near Redding, California. The interim remedial action will be constructed in accordance with specifications provided in Appendix E of the original State Superfund Contract.

The cost estimate in the original Statement of Work was based on an engineering estimate for construction of the HDS treatment plant. The first revised cost estimate was based on the actual negotiated bid from the subcontractor. The increase in cost between the engineering estimate and the subcontractor's actual bid can be attributed to: increased material and labor costs due to inflation from the time the engineering estimate was completed (1993); increased costs on factory quotes from the time of the engineering estimate to time of the bid; and additional bonding and insurance premiums that were not anticipated in the engineering estimate.

This revised cost estimate #2 includes the necessary change orders to modify the mixers and blowers in the existing simple mix system in order to meet the required the performance standards of the HDS system plant; expanded start-up and shakedown services and some change in site conditions. Details on the changes can be found in the following documents which are incorporated and by this reference made a part hereof:

Tech. Memo, Mixers and Blowers, J. Stefanoff, June 17, 1996
Revised Work Plan Amendment No. 3, CH₂MHill, Sept. 27, 1996
Revised Work Plan Amendment No. 4, CH₂MHill, April 4, 1997

The total budget amount estimated for construction management is listed below.

BUDGET ESTIMATE:

<u>Task</u>	<u>Estimated Cost</u>
Construction Management	\$1,043,852
RA Project Management	\$107,237
RA Data Evaluation	\$34,404
Pre-Construction Conf	\$4,035
Perform RA	\$686,194
Quality Control	\$22,422
O&M Manual	\$31,862
Start-up/Shakedown Oper.	\$145,635
RA Subcontractor Support	\$12,063
Construction of the HDS Treatment Plant (Subcontract costs, includes est. taxes)	\$7,378,637
 TOTAL PROJECT COST	 \$8,422,489